



Technical and Engineering Directorate Value Management and Engineering Division (VE)



VE Program Definition

Value Engineering - An organized effort directed at analyzing the functions of systems, equipment, facilities, services, and supplies for the purpose of achieving the essential functions at the lowest life-cycle cost consistent with required performance, reliability, quality and safety. OMB Circular A-131

Value Management is the overarching term used at DLA to integrate many cost reduction and customer focus programs.



VE Program

In-House Initiatives

Most Activity Performed In-House

Reducing Cost for Spare Parts Through:

- Eliminating Unnecessary Design

Requirements

- Product Improvement (Tech/Spec Changes)

- Developing Adequate Tech Data Packages for

Competitive Procurement

- Reutilization of Material

- Cost Avoidance (Cancellation/Reduced

Requirements)

Reduce the cost of programs by analyzing business



Reverse Engineering

A process by which parts are examined and analyzed to determine how they were manufactured, for the purpose of developing a complete technical data package.

The normal expected result of reverse engineering is the creation of a technical data package suitable for manufacture of an item by new sources.



Value Engineering Change Proposals (VECI)

- Proposals Submitted By Contractors Pursuant To VE Incentive Clauses Contained In Contracts
- Results In Cost Reduction To DoD
- Contractor Shares Savings With Government
- FAR Parts 48 And 52.248-1, 2 & 3



Alternate Sourcing/Breakout

- Develop New Sources
- Provide Technical Support To Potential Sources
- Review Unsolicited Source Approval Requests (SARs)
- Special Projects
 - Sole Source Reviews
 - Commodity Grouping Reviews
 - End Item Specific Reviews



Source Approval Request Process Improvements

- NSN Project Listing (RPPOB/SAR Candidates)
- SAR Package/TDP Template
- Value Analysts available to Partner with Contractors throughout the process
 - Business Case Development
 - RPPOB Coordination
 - Engineering Support Activity (ESA)
Engagement/Coordination
 - Technical Questions/Support



Sustaining Engineerin

- Improve/Upgrade DLA Managed Items:
 - New Technology
 - Quality/Reliability Improvements
 - Ease Of Maintenance Improvements
 - Improve Logistics Footprint
- Proposals Solicited From Services
 - Evaluated by DLA
 - Return On Investment Goal 10 To 1
- DLA Funds The Projects



Castings And Forging

- Provides Technical Assistance On Castings And Forgings
- Focus On Three Areas
 - Resolve Casting/Forging Part Problems
 - Training For Government Personnel
 - Research And Development To Advance The Industry
- Contractor Technical Support Funded By Congressional Funding Through DLA-HQ

DSCC.Cast.Forge@dla.mil



3D Data

- Used widely throughout manufacturing industry today
- Shifting to 3D data has potential benefits:
 - Reduced sourcing costs; Reduced Production Lead Time; Reduction in scrap/rework
 - Engineering/manufacturing setup savings
 - Maintainability of data
- Neutral formats (such as STEP) allow for communication flow across various CAD systems.
- “Learning curve” associated with utilizing 3D data
- MIL-STD-31000 (covers 3D Technical Data Packages)



DLA Land And Maritime VE Program Summary

- Savings remain significant through the VM program.
- The VM program has tailored cost reduction for supply support using the principles of VE.
- The cost reduction tools we utilize under VM ensure a coordinated/integrated application and allows flexibility as to where and when to apply them.
- The Value Management program ensures cost reduction/product improvement for our customers.



DLA Land And Maritime Points of Contact

Website:

[http://
www.landandmaritime.dla.mil/offices/valuemanagement/](http://www.landandmaritime.dla.mil/offices/valuemanagement/)

Email:

DLA.Land.and.Maritime.Value.Engineering@dla.mil